

HENRY COUNTY WATER DISTRICT

NUMBER 2

P.S.C. Ky. No.

Cancels P.S.C. Ky. No.

HENRY COUNTY WATER DISTRICT # 2

OF

Campbellsburg, Kentucky

Rates, Rules and Regulations for Furnishing

Water

AT

Henry, Carroll, Oldham, and Trimble Counties, Kentucky

Filed with PUBLIC SERVICE COMMISSION OF
KENTUCKY

ISSUED May 15, 1984

EFFECTIVE, 19.....

ISSUED BY Henry County Water District # 2

(Name of Utility)

BY William Van Hawkins
William Van Hawkins
Chairman, Board of
Water District Commissioners

JUL 01 1984

Jordan Meel

Form for filing Rate Schedules

Henry, Trimble, Carroll,
For Oldham, Shelby Counties
Community, Town, or City

P.S.C. Ky. NO. 2

3rd Revised SHEET NO. 1
2

CANCELLING P.S.C. Ky. NO 2nd Revise

Henry County Water District # 2
Name of Issuing Corporation

SHEET NO. 1

CLASSIFICATION OF SERVICE

First	1,500 Gallons	\$16.00 Minimum Bill
Next	3,500 Gallons	5.75 Per 1,000 Gallons
Next	5,000 Gallons	5.25 Per 1,000 Gallons
Next	10,000 Gallons	4.25 Per 1,000 Gallons
Next	30,000 Gallons	3.25 Per 1,000 Gallons
All Over	50,000 Gallons	2.20 Per 1,000 Gallons
Wholesale		2.20 Per 1,000 Gallons

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

OCT 1 1996

PURSUANT TO 807 KAR 5011.
SECTION 9 (1)

BY: Phillip L. Larkin
DIRECTOR, RATES & RESEARCH DIV.

DATE OF ISSUE September 26, 1996

DATE EFFECTIVE 10-1-96

ISSUED BY

William L. Hall
Name of Officer

TITLE Chairman

Issued by authority of an Order of the Public Service Commission in
Case No. _____ dated _____.

Form for filing Rate Schedules

Henry, Trimble, Carroll

For Oldham, & Shelby Counties
Community, Town or City

P.S.C. NO. _____

SHEET NO. _____

CANCELLING P.S.C. NO. _____

SHEET NO. _____

Henry County Water District # 2
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

		RATE PER UNIT
New Meter Installation Fee	\$ 575.00	
Service Charge for Reading Meter	25.00	
Collection of Delinquent Accounts	25.00	
Service Charge for Returned Checks	25.00	
<p>PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE</p> <p>JUN 01 1997</p> <p>PURSUANT TO 807 KAR 5.011, SECTION 9(1)</p> <p>BY: <u>Jordan C. Neal</u> FOR THE PUBLIC SERVICE COMMISSION</p>		

DATE OF ISSUE November 12, 1996

DATE EFFECTIVE June 1, 1997

ISSUED BY William T. Hawkins
Name of Officer

TITLE Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky
in Case No. _____ dated _____.

Form for filing Rate Schedules

For Henry, Carroll, Oldham & Trimble
Community, Town or CityP.S.C. NO. 2
CountiesOriginal SHEET NO. 2-AHenry County Water District No. 2
Name of Issuing Corporation

CANCELLING P.S.C. NO. _____

SHEET NO. _____

CLASSIFICATION OF SERVICE

	RATE PER UNIT
* Transfer fee (terminating old customers and instating new customers)	\$25.00
* Connection fee (placing out of service meter into service)	\$25.00
<i>c 7/94</i> * Service charge on returned checks	\$ 5.00
* Reconnection fee	\$25.00
(for reconnecting of paid delinquent accounts)	
* (necessitating trip to meter, based on average cost, where there is four county coverage and approximately 225 miles of water lines)	
10% penalty of total bill imposed after 10th of month	
PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE NOV 29 1982 PURSUANT TO 807 KAR 5:011, SECTION 9(1) BY: <u>J. P. Jackson</u>	

DATE OF ISSUE September 24, 1981DATE EFFECTIVE November 9, 1982ISSUED BY William Van Hawkins
Name of OfficerTITLE Chairman, Board of Water
District CommissionersIssued by authority of an Order of the Public Service Commission of Kentucky
in Case No. 8043 dated September 24, 1981.

Form for filing Rate Schedules

For Henry, Trimble, Carroll
Oldham, and Shelby
 Community, Town or City

P.S.C. NO. Original

SHEET NO. 12

CANCELLING P.S.C. NO. _____

SHEET NO. _____

Henry County Water District # 2

Name of Issuing Corporation _____

CLASSIFICATION OF SERVICE

	RATE PER UNIT
Charge for Testing Meter (at customer request)	\$20.00
<p>PUBLIC SERVICE COMMISSION OF KENTUCKY</p> <p>APR 25 1989</p> <p>PURSUANT TO KRS 150.011, SECTION 1</p>	

DATE OF ISSUE April 12, 1989

ISSUED BY

William P. Heuber
 Name of Officer

DATE EFFECTIVE

TITLE Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky
 in Case No. _____ dated _____.

Form for filing Rate Schedules

Henry, Trimble, Carroll
For Oldham & Shelby Counties
Community, Town or City

P.S.C. NO. _____

_____ SHEET NO. _____

CANCELLING P.S.C. NO. _____

_____ SHEET NO. _____

Henry County Water District # 2
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

	RATE PER UNIT
Service Charge for Inspecting Customer Service Line	\$25.00
<p>PUBLIC SERVICE COMMISSION OF KENTUCKY RECEIVED</p> <p>MAR 1 1990</p> <p>PURSUANT TO 207 KAR 001.1 SECTION 9.01</p>	

DATE OF ISSUE January 30, 1990
ISSUED BY William T. Haeberlin
Name of Officer

DATE EFFECTIVE _____
TITLE Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky
in Case No. _____ dated _____.

Oldham, Shelby Counties
FOR Henry, Trimble, Carroll

P.S.C. KY. NO. _____

SHEET NO. _____

Henry County Water District # 2

CANCELLING P.S.C. KY. NO. _____

SHEET NO. _____

RULES AND REGULATIONS

Meter Use Policy

- A. As previous policy - only one household per meter use.
- B. The only exception is a farmer - tenant situation and then two (2) minimum monthly fees are to be paid in addition to water usage charge. This situation only when it is a good distance off of main line.
- C. When a meter is abandoned due to property sold and meter not to be used, then that meter is considered dead and not to be transferred unless the seller had another piece of property prior to December 12, 1994. (This is to prohibit the sale of meters, for profit, by our customers to anyone needing a new meter service.

Multiple Residences on One Meter

Customers with more than one residence per meter prior to December, 12, 1994 will be notified and required to sign an agreement with Henry County Water District as follows:

- 1. All customers in addition to customer that original meter was set, will pay a monthly tenant minimum of \$10.76 plus water usage. (\$10.76 is the base amount plus 3% utility tax)
- 2. When ban is lifted, and district has adequate supply of potable water, said customers will immediately pay for said meters to be set, plus any line reimbursement.

Customers adding additional residences to their services after December 12, 1994 will have their service disconnected immediately.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 17 1995

DATE OF ISSUE 4/17/95

PURSUANT TO 807 KAR 50.01

DATE EFFECTIVE

Month Day Year

ISSUED BY William S. Hawkins

BY James L. Bell
FOR THE CHAIRMAN, P.O. Box 219 Campbellsburg, Ky

Name of Officer

Title

Address 40011

FOR portions of Henry, Trimble, Carroll
and Oldham Counties

P.S.C. Ky. No. 4022 1

ORIG Sheet No. 2

Cancelling P.S.C. Ky. No. _____

Sheet No. _____

Henry County Water District No. 2

RULES AND REGULATIONS

BY-LAWS, RULES AND REGULATIONS

The Commission of the Henry County Water District No. 2 of Henry, Trimble, Oldham and Carroll Counties, Kentucky at a meeting September 14, 1967, adopted the following By-Laws and Regulations:

ARTICLE 1. NAME. The name of this District is the Henry County Water District No. 2. The principal office of this District shall be located at New Castle, Kentucky, but the District may maintain offices and places of business at such other places within the State as the Commissioners may determine.

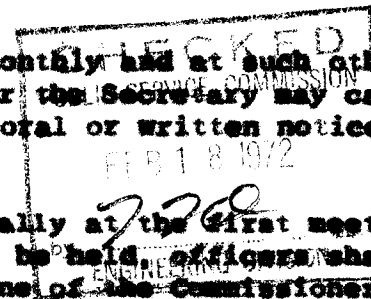
ARTICLE 2. SEAL. The seal of the District shall have inscribed thereon the name of the District and such other inscription as the Commissioners may designate and adopt. The Secretary of the District shall have custody of the seal.

ARTICLE 3. MEMBERSHIP. The customers are the members of this District. The duties of the members are set out hereinafter. A customer must enter into a written users agreement for water service at the office of the District. Said agreement including service received thereunder is not assignable by the customer.

ARTICLE 4. COMMISSIONERS. The Commission is a body corporate as provided by KRS 74.070 and is created and its powers and duties are coincident with applicable Kentucky Statutes. The business and affairs of the District shall be conducted by Commissioners who have been appointed pursuant to statute. In view of the present statutory requirements that the Commissioners of the District be selected by the County Judges of the counties served, the customers at the annual meeting held in the year prior to the selection of each Commissioner shall recommend the name of three or less members of the District for consideration by the County Judge with the request that he select one of the members as a Commissioner. Such meeting date, time and place shall be fixed by the Secretary to be held during the first month of the fiscal year and any present customer may vote.

ARTICLE 5. MEETINGS. The Commissioners shall meet monthly and at such other times as necessary to conduct business. The Chairman and/or the Secretary may call such meetings by giving the other Commissioners three days oral or written notice, and five Commissioners constitute a quorum.

ARTICLE 6. OFFICERS. Officers shall be elected annually at the first meeting of the fiscal year, but in the event the election is not to be held, officers shall continue to hold office until an election is requested by one of the Commissioners.



DATE OF ISSUE September 13 1967 DATE EFFECTIVE Sept. 14 1967
Month Day Year Month Day Year

ISSUED BY Walter L. McCann Chairman, Board of Water Smithfield, Ky.
Name of Officer District Commissioners Address

ARTICLE 7. SALARIES. The Commissioners shall receive an annual salary of not more than thirty six hundred dollars to be fixed by the County Court and paid out of the Water District fund as provided by KRS 74.

ARTICLE 8. BONDS. The District shall pay for the purchase of the fidelity bond of each Commissioner required by the court and the position fidelity bond of the Treasurer.

ARTICLE 9. VACANCIES. Vacancies of the Commission shall be filled by the County Court having jurisdiction.

ARTICLE 10. TREASURER'S DUTY. The Treasurer of the Commission shall pay out the funds of the Commission only upon presentation of warrants signed by the Chairman and countersigned by the Secretary of the Commission. As compensation for his services the Treasurer shall receive an amount fixed by the Commission, not to exceed two hundred dollars. He shall execute bond to the Commission in an amount fixed by the Commission.

ARTICLE 11. POWERS. The Commission may acquire and install pipe and water laterals, and operate a water system. The Commission shall be a body corporate for all purposes, and may make contracts for the water district with municipalities and persons for a water supply, and for the sale of water and for all other purposes connected with its business. It may prosecute and defend suits, hire necessary employees including Commissioners for duties to which their salary limitation herein shall not apply, and do all acts necessary to carry on the work. It may establish and revise a fiscal year. The commission shall have all powers provided by Kentucky Statutes including KRS 74 and KRS 106.

ARTICLE 12. RATES. The Commission may establish and revise water rates and make reasonable regulations for the disposition and consumption of water.

ARTICLE 13. DISPOSITION OF ASSETS. In the event the District terminates business by reason of liquidation or sale of its assets, and in the event there is a sum of money remaining after the District has sold its property and paid its debts of every kind including all bonded indebtedness, then the District shall seek court approval of a distribution of the money based on the following plan:

(a) One-half of the said money shall be distributed to the original subscribers, their heirs, devisees and assigns in direct ratio to the connection fees paid by them prior to construction of the original line;

(b) One-half of the said money shall be distributed to each customer, his heirs, devisees and assigns, who has at any time purchased water from the District, in direct ratio to the total water bill the customer paid during the entire operation of the system.

The District does not in any way represent that this means of disposing of the assets of the District in the event of liquidation or sale will be approved by the court.

ARTICLE 14. MISCELLANEOUS. The Commission may acquire a water line or system operating in the District as provided by KRS 74.100.

DATE OF ISSUE September 13, 1967

DATE EFFECTIVE Sept. 14, 1967

ISSUED BY: Herbert McCann Chairman, Board of Water
Name of Officer District Commissioners

Smithfield, Ky.
Address

ARTICLE 15. The Commission may condemn rights-of-way as provided in KRS 6.101 to 416.080 and KRS 106.220 and 106.240.

ARTICLE 16. So long as the United States is the insurer of any bonds issued by the District, the Commission will not, without the consent of the Farmers Home Administration, United States Department of Agriculture, take any action with respect to diminishing the territorial limits of the District and will notify the Farmers Home Administration of any proposal or petition to diminish the territorial limits of the District as soon as the Commission has acquired knowledge thereof.

ARTICLE 17. The Commission may finance the acquisition and the construction of authorized works of improvement by the issuance of (1) special assessment bonds, (2) revenue bonds, or (3) a combination special assessment and revenue bond, payable primarily from water revenue supplemented, when necessary, by special assessments. If the combination special assessment and revenue bond is used, the special assessment will not be levied, nor will the lien thereof be attached until such time as it is necessary to make up any deficit in the water revenue to meet annual obligations.

ARTICLE 18. The Commission may issue refunding bonds as provided by KRS 74.320 and 74.330 and KRS 106.

ARTICLE 19. The Commission shall keep any account of the time spent by all employees employed on an hourly basis and each item of expense incurred in connection with the District.

ARTICLE 20. The fees of officers for services rendered in such capacity shall be the same as fees now allowed by law for similar services in other cases. Such fees shall be taxed as a part of the costs and paid on order of the court. Fees or compensation for any service not otherwise provided for shall be fixed and paid by the Commission.

ARTICLE 21. The Commissioners shall secure personnel to repair and maintain water district property including mains, lines, meters, storage tanks, etc. When necessary, shall secure personnel to read meters and shall secure personnel to bill customers. The Commissioners may retain an attorney to represent the District. The District may enter into contracts for services, labor and materials, and construction as provided by law.

ARTICLE 22. The Commission may make all provisions concerning contracts for sale of water, connection charges, and other disposition of District services and assets, including the plan of collecting proceeds thereof. The system manager may at his discretion discontinue delivery of water to any delinquent customer. The District will install, maintain and operate a main distribution pipe line or lines from the source of water supply and service lines from the main distribution pipe line or lines to the property line of each customer of the District, if the District Commission determines it is feasible to serve such customer, at which points, designated as delivery points, meters to be purchased, installed, and owned and maintained by the District shall be placed. The cost of service line or lines from the main distribution pipe line or lines of the District to the property line of each customer shall be paid by the District or the customer, or both, in a manner to be determined by the Commission at the time of installation depending upon the length of the service line. The District will purchase and install a cut-off valve in each service line from its main distribution pipe line or lines, such cut-off valve to be owned and maintained by the District and to be installed on some portion of the service line owned by the District. The District shall have the sole and exclusive right to the use and operation of such cut-off valve.

DATE OF ISSUE September 13, 1967

DATE EFFECTIVE Sept. 14, 1967

ISSUED BY: Deborah M. C. Chairman, Board of Water

Smithfield, Ky.

Name of Officer

District Commissioners

Address

Title

Each service line shall connect with the District's water system at the nearest available point to the place of desired use by the customer if the District's water system shall be of sufficient capacity to permit the delivery of water through a service line at that point without interfering with the delivery of water through a prior service line. If the District's water system shall be inadequate to permit the delivery of water through a service line installed at such point without interfering with the delivery of water through a prior service line, then such service line shall be installed at a point to be designated by the Commission. Each customer will be required to install and own the service line from the meter to the place of use on his premises and to maintain such portion of the service line.

Each customer shall be entitled to purchase from the District pursuant to such agreements as may from time to time be provided and required by the Commission such water as the customer may desire, subject however, to the provisions of these By-Laws and to such rules and regulations as may be prescribed by the Commission provided, however, that should a customer sell or dispose of a portion of his property or subdivide the same he or the new owner of each such new tract may not demand water and taps without paying connection fees for such tract to be served.

In the event the total water supply shall be insufficient to meet all the needs of the members or in the event there is a shortage of water, the Commission may prorate the water available among the various members on such basis as is deemed equitable by the Commission, and may also prescribe a schedule of hours covering use of water and require adherence thereto or prohibit the use of water for specified purposes.

ARTICLE 23. The Commission is authorized to secure insurance on storage tanks, any, and such other properties as the District owns, against fire, windstorms and other calamity and liability insurance, in such amounts and with such companies as other privately-owned water systems ordinarily carry.

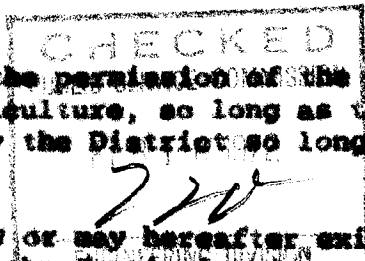
ARTICLE 24. The District shall own all lines and meters held by or for it, in the absence of a written agreement to the contrary.

ARTICLE 25. The Commission shall secure engineering services for an annual engineering inspection and report dealing with operation and maintenance practice if the Commission desires or if so required by any bond holder or the Federal Government as insurer of the bonds.

ARTICLE 26. The Commission may contract with any person or entity for the sale of water and if such person or entity is metered within the District boundaries, he or it is a member of the District for such time as he or it pays the District bills pertaining to such metered connection.

ARTICLE 27. The By-laws shall not be amended without the permission of the Farmers Home Administration, United States Department of Agriculture, so long as the United States is the holder or insurer of any bonds issued by the District so long as any of the bonds remain unpaid.

ARTICLE 28. All applicable Kentucky Statutes which now or may hereafter exist are incorporated herein and made a part of these By-Laws and the Commissioners may use any powers therein contained in addition to those herein set out. Any provision herein in violation of Kentucky Statute which is now or may hereafter be in effect is null and void, the remainder of these By-Laws to continue in full force and effect.



FOR Henry, Carroll, Oldham & Trimble
Counties
P.S.C. Ky. No. 2

Original Sheet No. 6

Henry County Water District No. 2

Cancelling P.S.C. Ky. No. 1

Original Sheet No. 6

RULES AND REGULATIONS

- A. All taps and connections to the mains of the District shall be made by and/or under the direction and supervision of District personnel.
- B. Water service may be discontinued by the District for an violation of any rule, regulation, or condition of service and especially for any of the following reasons:
1. Misrepresentation in the application or contract as to the property or fixtures to be supplied or additional use to be made of water.
 2. Failure to report to the District additions to the property or fixtures to be supplied or additional use to be made of water.
 3. Resale of water.
 4. Waste or misuse of water due to improper or imperfect service pipes and/or failure to keep in suitable state of repair.
 5. Tampering with meter, meter seal, service, or valves or permitting such tampering by others.
 6. Connection, cross-connection, or permitting the same, of any separated water supply to premises which receive water from the District.
 7. Non-payment of bills.
- C. Any customer desiring to discontinue the water service to his premises for any reason must give notice of the discontinuance at the business office of the District, otherwise, a customer shall be liable for all water used and service rendered by the District until notice is received by the District.

NOV 29 1982

PURSUANT TO 807 KAR 5:011,

SECTION 9(1)

DATE OF ISSUE November 12, 1982
Month Day Year

DATE EFFECTIVE November 29, 1982
Month Day Year

ISSUED BY William C. Hawkins
Name of Officer Title Address Kentucky

FOR Henry, Carroll, Oldham & Trimble
Counties
P.S.C. Ky. No. 2

Original Sheet No. 7

Henry County Water District No. 2

Cancelling P.S.C. Ky. No. 1

Original Sheet No. 7

RULES AND REGULATIONS

- D. Bills and notices relating to the conduct of the business of the District will be mailed to the customer at the address listed on the users agreement unless a change of address has been filed in writing with the District; and the District shall not otherwise be responsible for delivery of any bill or notice nor will the customer be excused from the payment of any bill or any performance required in said notice.
- E. 1. Bills for water service are due and payable at the office of the District, or to any designated agent, on the date of issue. The past due date shall be the tenth day after the date of issue. Bills will be dated and mailed on the first day of each month.
2. All bills not paid on or before the past due date shall be deemed delinquent. The District shall serve a customer a written final notice of said delinquency, and that if the bill is not paid his service will be discontinued. The customer shall be given at least forty-eight (48) hours written notice but the cutoff shall not be effected before twenty (20) days after the mailing date of the original bill.
3. If prior to discontinuance of service, there is delivered to the District office payment of the amount in arrears, then discontinuance of service shall not be made, or where a written certificate is filed signed by a physician, a registered nurse or a public health officer stating that, in the opinion of the person making the certification discontinuance of service will aggravate an existing illness or infirmity on the affected premises, service shall not be discontinued until the affected resident can make other living arrangements or until ten (10) days elapse from the time of the District's notification.
- F. Where the water supply to the customer has been discontinued, payment of delinquent bills, a charge of \$25.00 will be made in connection of water service, but the reconnection will not be until after all delinquent bills and other charges, if any, owed by the customer to the District have been paid.

PURSUANT TO 807 KAR 5.011,

SECTION 9 (1)

DATE OF ISSUE November 12, 1982
Month Day Year

DATE EFFECTIVE November 29, 1982
Month Day Year

ISSUED BY William Van Hawkins, Chairman, Board of Water District Commissioners, Port Royal,
Name of Officer Title Address, Kentucky

FOR Henry, Carroll. Oldham & Trimble

Counties
P.S.C. Ky. No. 2

Original Sheet No. 8

Cancelling P.S.C. Ky. No. 1

Original Sheet No. 7-8

Henry County Water District No. 2

RULES AND REGULATIONS

- G. The District reserves the right to request a nominal sum to be placed on deposit with the District for the purpose of establishing or maintaining any customer's credit, however, the deposit shall not exceed 2/12 of the estimated annual bill of such customer.
- H. All meters shall be installed, renewed, and maintained at the expense of the District and the District reserves the right to determine the size and type of meter used.
- I. Upon written request of any customer, the meter serving said customer shall be tested by the District. Such test will be made without charge to the customer if the meter has not been tested within 12 months preceding the requested test; otherwise, a charge of \$2.00 will be made and then only if the test indicates meter accuracy within the limits of 2%. If a meter is inaccurate in excess of 2%, adjustments shall be made in accordance with the following rules:
1. Whenever a meter in service is found upon periodic request or complaint test to be more than two percent (2%) fast, additional tests shall be made at once to determine the average error of the meter. Said tests shall be made in accordance with the public service commission's regulation applicable to the type of meter involved.
 2. If the result of tests on a customer's meter shows an average error greater than two percent (2%) fast, then the customer's bill for the period during which the meter error is known to have existed, shall be recomputed and the account adjusted on the basis of the test. In the event the period during which the meter error existed is unknown, then the customer's bill shall be recomputed for one-half ($\frac{1}{2}$) of the elapsed time since the last previous test but in no case to exceed twelve (12) months.
 3. If the result of tests on a customer's meter shows an average error greater than two percent (2%) slow, then the customer's bill, for the period during which the meter error is known to have existed, may be recomputed and the account adjusted on the basis of the test. In the event the period during which the meter error existed is unknown, then the customer's bill may be recomputed for one-half ($\frac{1}{2}$) of the elapsed time since the last previous test but in no case to exceed twelve (12) months.

DATE OF ISSUE November 12, 1982
Month November Day 12 Year 1982

DATE EFFECTIVE November 29, 1982
Month November Day 29 Year 1982

ISSUED BY William Van Hawkins, Chairman, Board of Water District Commissioners
Name of Officer Title Address, Kentucky

NOV 29 1982

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

BY: W. Van Hawkins

FOR Henry, Carroll, Oldham & Trimble
Counties
P.S.C. Ky. No. 2

Original Sheet No. 9

Henry County Water District No. 2

Cancelling P.S.C. Ky. No. 1

Original Sheet No. 7-8

RULES AND REGULATIONS

4. It shall be understood that when a meter is found to have an error in excess of two percent (2%) fast or slow the figure for calculating the amount of refund or the amount to be collected by the District shall be that percentage of error as determined by the test; i.e., it is the duty of the District to maintain the accuracy of its measuring devices as nearly 100 percent as is commercially practicable. Therefore, percent error shall be that amount of error as is indicated by the test.
- J. Where a meter has ceased to register, or meter reading could not be obtained, the quantity of water consumed will be based upon an average of the prior six months consumption and the conditions of water service prevailing during the period in which the meter failed to register.
- K. The District shall make all reasonable efforts to eliminate interruption of service and when such interruptions occur will endeavor to reestablish service with the shortest possible delay. When the service is interrupted all consumers affected by such interruption will be notified in advance whenever it is possible to do so.
- L. The District shall in no event be held responsible for any claim made against it by reason of the breaking of any mains or service pipes or by reason of any other interruption of the supply of water caused by the failure of machinery or stoppage for necessary repairs. No person shall be entitled to damages nor for any portion of a payment refunded for any interruption of service which in the opinion of the District may be deemed necessary.
- M. Customers having boilers and/or pressure vessels receiving a supply of water from the District must have a check valve on the water supply line and a vacuum valve on the steam line to prevent collapse in case the water supply from the District is discontinued or interrupted for any reason, with or without notice.
- N. The premises receiving a supply of water and all service lines, meters and fixtures, including any fixtures within said premises, shall at all reasonable hours be subject to inspection by the District.

DATE OF ISSUE November 12, 1982
Month November Day 12 Year 1982

DATE EFFECTIVE PUBLIC SERVICE COMMISSION
Month OF KENTUCKY Year EFFECTIVE

ISSUED BY William Van Hawkins, Chairman, Board of Water District Commissioners, Port Royal
Name of Officer Title

NOV 29 1982 Kentucky

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY W. Van Hawkins

FOR Henry, Carroll, Oldham & Trimble
Counties

P.S.C. Ky. No. 2

Original Sheet No. 10

Henry County Water District No. 2

Cancelling P.S.C. Ky. No. 1

Original Sheet No. 8

RULES AND REGULATIONS

- O. Piping on the premises of a customer must be so installed that connections are conveniently located with respect to the District lines and mains. The customer shall provide a place for metering which is unobstructed and accessible at all times.
- P. The customer's service line shall be installed and maintained by the customer at his own expense in a safe and efficient manner and in accordance with the District rules and regulations and with the regulations of the Department of Health.
- Q. If any loss or damage to the property of the District or any accident or other injury to persons or property is caused by or results from the negligence or wrongful action of the customer, member of his household, his agent, or employees, as determined by a court of law having jurisdiction over the parties, the cost of the necessary repairs or replacement shall be paid by the customer to the District, and any liability otherwise resulting shall be that of the customer.
- R. Water furnished by the District may be used for domestic consumption by the customer, member of his household, and employees only. The customer shall not sell the water to any other person.
- S. All customers shall grant or convey, or shall be caused to be granted or conveyed, to the District a perpetual easement and right-of-way across any property owned or controlled by the customer wherever said easement or right-of-way is necessary for the District water facilities and lines so as to be able to furnish service to the customer.
- T. Complaints may be made to the operator of the system whose decision may be appealed to the Commission of the District within ten days; otherwise, the operator's decision will be final.
- U. Each customer shall have a shut-off valve inside his residence so that in case of leaks or repairs in the residence during periods of freezing weather there will be no need to use, and, hence, damage the meter valve, but this provision shall apply only to new structures.

DATE OF ISSUE November 12, 1982
Month Day Year

DATE EFFECTIVE PUBLIC SERVICE COMMISSION
OF KENTUCKY Year

ISSUED BY William Van Hawkins, Chairman, Board of Water District Commissioners, Port
Name of Officer Title

NOV 29 1982

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

PY. Jackson

FOR Henry, Trimble, Carrll, Oldham
Counties

P.S.C. Ky. No. _____

original Sheet No. 11

Cancelling P.S.C. Ky. No. _____

Sheet No. _____

Henry County Water District # 2

RULES AND REGULATIONS

- V. The meter is the property of the District. It is strictly a metering devise and not to be used for any other purpose. Any damage to meter is the responsibility of the customer at the service address.
- W. The District does not guarantee pressure at a residence for the purpose of fire protection.
- X. Water hydrants on the District is solely for the purposes of flushing of lines and not for personal use or the purpose of fire protection. Any party using hydrant assumes the responsibility for his actions and any damages to hydrants or lines.
- Y. Water pressure on the main of the District at the location of the service address can cause damage to plumbing, appliances, and other attachments unless a pressure valve is installed in service line. The customer accepts service after being advised of said fact and assumes the risks incident thereto.
- Z. Only one residence may be served by one meter.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 21 1986

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

By: J. Deeghegan

DATE OF ISSUE May 1 1986
Month Day Year

DATE EFFECTIVE May 21 1986
Month Day Year

ISSUED BY William L. Hawkins Chairman, Henry County Water Dist. Port Royal, Ky.
Name of Officer Title Address 40058
William Van Hawkins

FOR Henry, Trimble, Carroll, Oldham,
and Shelby Counties
P.S.C. KY. NO. _____

2nd Revised SHEET NO. 12

Henry County Water District # 2

CANCELLING P.S.C. KY. NO. _____

SHEET NO. _____

RULES AND REGULATIONS

Water Main Extension to Existing Houses & Refund Policy

The District's requirements, for Water Line Extension to Existing Houses, are that there be an average of five customers per mile, in order for the District to pay one-half of the Construction Cost.

The District shall determine the total length and the total cost of the proposed water main extension. The District will pay one-half of the Construction Cost only, by installing line.

The actual Design Fee incurred by the District, will be added to the Construction Cost for the applicants and divided equally determining the Line Contribution each applicant must pay. Each applicant will also be required to pay the District's approved Tap-on Fee for a connection to the main extension.

For a period of ten years after the original construction of the main extension, each additional customer directly connected to each particular extension will be required to contribute to the cost of the water main extension, if that property did not initially pay a Line Contribution. A recomputation of the total cost and each customer's contribution will determine the amount of the new applicant's Line Contribution. The District must refund this amount to those customers that have previously contributed to the cost of each main extension itself that amount necessary to reduce their contribution to the currently calculated amount for each customer connected to that extension. All customers directly connected to each main extension for a ten year period after it is placed in service are to contribute equally to the cost of construction of the water main extension itself. In addition each new applicant must pay the approved Tap-on Fee, applicable at the time of their application. The Tap-on Fee is not part of the refundable cost of the extension and may be changed during the refund period.

The above mentioned refunds, will be refunded to that person, that at the time of the refund owns the property the initial PUBLIC SERVICE COMMISSION was paid

DATE OF ISSUE August 11, 1998
Month Day Year

DATE EFFECTIVE August 11, 1998
Month Day Year

ISSUED BY William L. Heerhine Chairman
Name of Officer Title

AUG 11 1998

PURSUANT TO 307 KAR 5011,
SECTION 9 (1)

BY: Stephen D. Bue
SECRETARY OF THE COMMISSION

FOR Henry, Trimble, Carroll, Shelby and Oldham
Counties in Kentucky

Community, Town or City

P.S.C. KY. NO. _____

SHEET NO. _____

CANCELLING P.S.C. KY. NO. _____

SHEET NO. _____

Henry County Water District #2
(Name of Utility)

RULES AND REGULATIONS

It is the policy of the District that development should pay to offset its hydraulic impact on the water distribution system, rather than such costs being paid by the District's customers. Development shall be defined as any previously unserved lot or lots, or other unserved tract of land, or any proposed commercial or industrial use of land. This rule shall not apply to lots in subdivisions for which the District has previously certified water availability. This rule shall apply equally to all areas of the District's service area, regardless of county.

Development shall be required to offset its hydraulic impact on the system's minimum daily water pressures by means of water line improvements to the distribution system. The cost of these offsetting improvements, per unit of peak flow in gallons per minute, shall be calculated biennially by the District's accountant and engineer as the average cost per unit of peak flow resulting from all hydraulic improvement projects evaluated during the preceding four years. These projects shall be evaluated in terms of their resultant improvement in minimum daily pressures and the increase in gallons per minute of peak flow, which can be accommodated by virtue of these improvements. The total cost of these projects, divided by the total associated peak flow in gallons per minute, shall determine the charge per gallon per minute of peak flow to be paid by development. The results of this biennial calculation shall be submitted to the District's Board of Commissioners for their review and approval and to the Public Service Commission. The initial Offsetting Improvement Charge (OIC) shall be in the sum of \$980.00 per gallon per minute peak flow.

Residential development shall be charged on the basis of one gallon per minute of peak flow per lot. The District shall not certify water availability on final plats until the charge for the entire subdivision has been received. If the number of lots is revised at a later date the utility shall refund any over collection.

Commercial and Industrial developments shall be evaluated by a specific engineering analysis of their peak flow, to which the gallon per minute charge shall be applied. Water

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY James E. Sproule
(Signature of Officer)

TITLE CHIEF OPERATING OFFICER

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

AUG 24 2003

PURSUANT TO 807 KAR 5.011
SECTION 9 (1)

BY Charles L. Brown
EXECUTIVE DIRECTOR

FOR Henry, Trimble, Carroll, Shelby and Oldham
Counties in Kentucky

Community, Town or City

P.S.C. KY. NO. _____

SHEET NO. _____

Henry County Water District #2
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

SHEET NO. _____

RULES AND REGULATIONS

service to Commercial and Industrial developments shall not be provided until the charge has been received.

All Developments shall require a preliminary hydraulic analysis to identify offsetting improvement projects. These projects shall be added to the database of hydraulic improvements for biennial average calculation of the offsetting improvement charge per gallon per minute of peak flow.

Offsetting improvement charges shall be placed in an escrow account and shall be used only for water line projects, which improve hydraulic conditions in the distribution system. At the end of each year the District shall submit to the Public Service Commission a list of all offsetting improvement charges collected and an accounting of all expenditures from said escrow account for hydraulic improvement projects.

The offsetting improvement charge shall apply in cases where the proposed development would not reduce pressures below the required 30-PSI state minimum. In cases where pressures would be reduced below the minimum level, the developer shall make improvements to the distribution system to the extent necessary to specifically offset the developer's impact. Such improvements shall be made by the developer in lieu of the offsetting improvement charge. In addition, if the improvements made by the developer have the effect of restoration above previously existing pressure levels of the developer shall receive an offsetting credit for such excess.

At the time of each biennial offsetting improvement charge recalculation, the District shall also supply the Public Service Commission with a written long time construction plan for the proposed use of proceeds from the offsetting improvement charge. This construction plan shall be compiled and prioritized to include distribution system improvements in those areas of the district, which are experiencing both growth and low pressures. Growth, low pressure, and cost-effectiveness shall be the only allowable criteria. No projects will be included which repair

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY James C. Spivey
(Signature of Officer)

TITLE CHIEF OPERATING OFFICER

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

AUG 24 2003

PURSUANT TO 807 KAR 5.011
SECTION 9 (1)

BY Charles H. Dore
EXECUTIVE DIRECTOR

FOR Henry, Trimble, Carroll, Shelby and Oldham
Counties in Kentucky

Community, Town or City

P.S.C. KY. NO. _____

SHEET NO. _____

CANCELLING P.S.C. KY. NO. _____

SHEET NO. _____

Henry County Water District #2
(Name of Utility)

RULES AND REGULATIONS

lines, construct pumps, tanks, etc., or extend service (unless such extension closes a hydraulic loop and increases pressure.)

The possibility of the OIC tariff providing benefits to existing customers shall also be reviewed as part of the District's biennial submittal to the PSC. Since this charge is calculated strictly on the basis of development restoring its specific hydraulic impact, existing customers system wide should receive no net benefit beyond the maintaining of the status quo. Those existing customers who may experience better pressures on roads with both development and OIC-financed improvements should be counterbalanced by those existing customers who experience lower pressures on roads with development, but where no OIC projects have been constructed.

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY James B. [Signature]
(Signature of Officer)

TITLE CHIEF OPERATING OFFICER

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

AUG 24 2003

PURSUANT TO 807 KAR 5.011
SECTION 9 (1)

BY Charles W. [Signature]
EXECUTIVE DIRECTOR

Form for filing Rate Schedules

For Henry, Trimble, Carroll,
Community Town or City
Oldham & Shelby Counties

P.S.C. NO. _____

Original SHEET NO. 12A

CANCELLING P.S.C. NO. _____

SHEET NO. _____Henry County Water District # 2
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

RATE
PER UNIT

Any costs to the Henry County Water District related to the design of a water line extension to an existing home shall be included in the cost of the extension and shall be paid in accordance with Administration Regulation 802 KAR 5:066, Section 11(1) and (2)

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

AUG 11 1998

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)BY: Stephan Bue
SECRETARY OF THE COMMISSIONDATE OF ISSUE August 11, 1998DATE EFFECTIVE August 11, 1998

ISSUED BY

William E. Haeckens
Name of OfficerTITLE Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky
in Case No. _____ dated _____.

Form for filing Rate Schedules

For Henry, Trimble, Carroll,
Community, Town or City
Oldama and Shelby Counties

P.S.C. NO. _____

Original SHEET NO. 12B

CANCELLING P.S.C. NO. _____

SHEET NO. _____

Henry County Water District
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

RATE
PER UNIT

Developers who construct water main extensions to proposed real estate subdivisions shall be assessed a fee equal to Henry County Water District's actual cost of designing, reviewing and inspecting such extensions.

Developers who purchase the Henry County Water District's document, Standard Specifications and Drawings for Water Line Extensions, shall be assessed fee equal to the actual cost to produce that document.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

AUG 11 1998

PURSUANT TO 807 KAR 5011,
SECTION 9 (1)BY: Stephan Bue
SECRETARY OF THE COMMISSIONDATE OF ISSUE August 11, 1998DATE EFFECTIVE August 11, 1998

ISSUED BY

William L. Hawkins
Name of OfficerTITLE Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky
in Case No. _____ dated _____.

Form for filing Rate Schedules

Henry, Trimble, Carroll
FOR ~~Oldham, Shelby Counties~~
~~Community, Town or City~~
P.S.C. NO. Original 13
SHEET NO. _____
CANCELLING P.S.C. NO. _____
SHEET NO. _____

Name of Issuing Corporation _____

CLASSIFICATION OF SERVICE

RATE
PER UNIT

MONITORING OF CUSTOMER USAGE

At least once annually the Company will monitor the usage of each customer according to the following procedure:

1. The customer's annual usage for the most recent 12-month period will be compared with the annual usage for the 12 months immediately preceding that period.
2. If the annual usage for the two periods are substantially the same or if any difference is known to be attributed to unique circumstances, such as unusual weather conditions, common to all customers, no further review will be done.
3. If the annual usages differ by 100 percent or more and cannot be attributed to a readily identified common cause, the Company will compare the customer's monthly usage records for the 12-month period with the monthly usage for the same months of the preceding year.
4. If the cause for the usage deviation cannot be determined from analysis of the customer's meter reading and billing records, the Company will contact the customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the customer's service line.
5. Where the deviation is not otherwise explained, the Company will test the customer's meter to determine whether it shows an average error greater than 2 percent fast or slow.
6. The Company will notify the customers of the investigation, its findings, and any refunds or backbilling in accordance with 807 KAR 5:006, Section 10(4) and (5).

In addition to the annual monitoring, the Company will immediately investigate usage deviations brought to its attention as a result of its on-going meter reading or billing processes or customer inquiry.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

APR 23 1993

DATE OF ISSUE March 25, 1993 DATE EFFECTIVE PURSUANT TO 807 KAR 5:011.
ISSUED BY William H. Hawks TITLE President SECTION 9(1)
Name of Officer
Issued by authority of an Order of the Public Service Commission of
Kentucky BY: Shirley J. Hall
in Case No. _____ dated _____ PUBLIC SERVICE COMMISSION MANAGER

Form for filing Rate Schedules

Henry, Trimble, Carroll,
For Oldham, and Shelby.
Community, Town, or City

P.S.C. Ky. NO. Original 14

SHEET NO. _____

Henry County Water District No. 2
Name of Issuing Corporation

CANCELLING P.S.C. Ky. NO. _____

SHEET NO. _____

CLASSIFICATION OF SERVICE

EQUAL DEPOSITS

Henry County Water District No. 2 Customers will pay equal deposits in the amount of \$25.00. This amount does not exceed the average bill of residential customers served by the Company and is equal to 2/12 of the average annual bill.

In the event the Customer is expected to have a larger than average consumption, deposit is as follows:

CALCULATED DEPOSITS

Henry County Water District No. 2 Customer's deposits shall be based upon actual usage of the customer at the same or similar premises for the most recent 12-month period, if such information is available. If usage information is not available, the deposit will be based on the average bills of similar customers and premises in the system. The deposit amount shall not exceed 2/12 of the customer's actual or estimated annual bill where bills are rendered monthly.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

APR 23 1993

DATE OF ISSUE March 25, 1993

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

ISSUED BY

William L. Houkin
Name of Officer

DATE EFFECTIVE

TITLE

BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

Issued by authority of an Order of the Public Service Commission in
Case No. _____ dated _____.

Form for filing Rate Schedules

For Oldham, Shelby Counties
Henry, Trimble, Carroll
 Community, Town, or City

P.S.C. Ky. NO Original 15

SHEET NO. _____

Henry County Water District
 Name of Issuing Corporation

CANCELLING P.S.C. Ky. NO. _____

SHEET NO. _____

CLASSIFICATION OF SERVICE

ENCLOSE THIS STUB
 WHEN PAYING BY MAIL
 FOR PROPER CREDIT

NOT RESPONSIBLE
 FOR MAIL DELIVERY

RETURN STUB WITH PAYMENT

ENTER
 READING

GROSS AMOUNT
 DUE AFTER

NET BILL
 DUE NOW

GROSS AMOUNT
 DUE AFTER DUE DATE

NET BILL DUE NOW

FORWARD & ADDRESS CORRECTION

ACCOUNT NO.
 ITEM

AMOUNT

CODE READING DATE PREVIOUS READING CURRENT READING

USAGE UC MR AMOUNT

PERMIT NO.

FIRST CLASS MAIL
 U.S. POSTAGE PAID

UC (USAGE CODES):
 E = ESTIMATED
 M = METER CHANGE

WT = WATER
 SWR = SEWER
 GS = GAS
 FP = FIRE PROTECTION
 TP = TRASH PICK-UP
 BC = BAD CHECK CHARGE
 SC = SERVICE CHARGE
 CF = CONNECTION FEE
 CR = CREDIT BALANCE
 AR = PAST DUE BALANCE
 TX = TAXES
 EA = ESTIMATION ADJUSTMENT
 EF = ESTIMATION FEES
 RA = RATE ADJUSTMENT

APPROVED BY STATE BOARD OF ACCOUNTS
 COMPUTER RESOURCE CORPORATION LOUISVILLE KY 40205

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE

APR 23 1993

DATE OF ISSUE March 25, 1993

ISSUED BY

William L. Hawkins
 Name of Officer

PURSUANT TO 807 KAR 5.011.
 DATE EFFECTIVE

BY: Timothy J. [Signature]
 PUBLIC SERVICE COMMISSION MANAGER

Issued by authority of an Order of the Public Service Commission in
 Case No. _____ dated _____

FILED

AUG 19 1988

PUBLIC SERVICE
COMMISSION

HENRY COUNTY WATER DISTRICT # 2

HIGHWAY 421 NORTH

P. O. BOX 219

CAMPBELLSBURG, KENTUCKY
PUBLIC SERVICE COMMISSION
EFFECTIVE 40011

AUG 22 1988

PURSUANT TO OUR NAR 5:011,
SECTION 9(1)
WATER SHORTAGE RESPONSE PLAN
BY: *[Signature]*
PUBLIC SERVICE COMMISSION MANAGER

AUGUST 9, 1988

- I. PURPOSE: To enforce water conservation measures and to allow for equitable and fair distribution of available water during water shortage situations.
- II. APPLICABILITY: The provisions of this plan shall apply to all customers (retail and wholesale) of Henry County Water District # 2. When implemented, this plan becomes Henry County Water District # 2 Water Shortage Response Regulation.
- III. DETERMINATION OF WATER SHORTAGE: Water supply and usage will be monitored on a continuous basis. Projected demand will be calculated at the beginning of each month. This calculation will be done according to the format shown at Appendix 1. A water shortage may occur in stages, gradually, due to decreasing supplies caused by lack of rainfall or it may occur rapidly due to mechanical failures, contamination or other unforeseen or unavoidable reasons. Official declaration of water shortage stages and implementation of conservation measures authorized to curtail water use will be approved by the Board of Commissioners of Henry County Water District # 2 based on information provided, and recommendations made by the Superintendent. In accordance with State Division of Water recommendations, any water shortage declaration imposed due to decreased raw water supplies should remain in effect for thirty (30) days after water supplies have returned to normal level. A final determination as to terminating a water shortage declaration will be made by the Board of Commissioners, Henry County Water District # 2.
- IV. WATER SHORTAGE CRITERIA, CONSERVATION AND CURTAILMENT MEASURES:
- A. ADVISORY STAGE:
1. CRITERIA: The capacity our wells will produce and the amount of treated water available to purchase is at least 12% and not more than 15% below projected demand*, and/or there are periods of low water pressure in one or more areas of the distribution system due to low water supply, or the State Division of Water has issued a Water Shortage Watch which includes the area from which the District would purchase treated water.
 2. CONSERVATION AND CURTAILMENT MEASURES:
 - a. Declare a Water Shortage Advisory.
 - b. Provide notice to all local news media (Appendix 2).
 - c. Request voluntary conservation by all metered customers.

- d. Reduce water normally provided to wholesale customers by the same percentage as the shortage being realized.

B. Alert Stage:

1. Criteria: The capacity our wells will produce and the amount of treated water to purchase is at least 20% and not more than 25% below projected demand*, and/or there is consistent low pressure in one or more areas of the distribution system due to low water supply.

2. Conservation and Curtailment Measures:

- a. Declare Water Shortage Alert.
- b. Provide notice to all local news media (Appendix 3).
- c. Prohibit all Class 3 uses which are defined as:
Decorative fountains, reflecting pools, artificial waterfalls, and any other decorative uses of water.

Watering of ~~public~~ ^{PUBLIC SERVICE COMMISSION} ~~lawns~~ ^{OF KENTUCKY}, parks, golf courses (except greens), ~~irrigating~~ ^{EFFECTIVE} fields and other recreation areas.

Filling of public, private, ^{AUG 22 1988} commercial, or residential swimming and wading pools.

Filling of ponds.

Personal washing of motor vehicles, boats and trailers, driveways, etc.

Serving water in restaurants, clubs, or eating places unless specifically requested by the customer.

Enforcement of water use restrictions are explained in paragraph 8, Enforcement.

- d. Reduce water normally provided to wholesale customers by the same percentage as the shortage being realized.

C. Emergency Stage:

1. Criteria: The capacity our wells will produce and the amount of treated water available to purchase is at least 25% and not more than 30% below projected demand*, or there are periods of no pressure in one or more areas of the distribution system due to low water supply.

2. Conservation and Curtailment Measures:

- a. Declare Water Shortage Emergency.
- b. Provide notice to all local news media (Appendix 4).
- c. Prohibit all Class 3 and Class 2 uses of water. These Class 2 uses of water are defined as:

Watering by landscape nurseries.

Agricultural irrigation.

Watering of golf course greens.

Commercial car and truck washes.

Enforcement of water use restrictions are explained in paragraph 8, Enforcement.

- d. Begin billing all customers for usage in excess of curtailed level at the normal rate plus an excess usage charge of \$1.50 per 1,000 gallons.
- e. Reduce water normally provided to wholesale customers the same percentage as the shortage being realized.

A. Rationing Stage:

1. Criteria: The capacity our wells will produce and the amount of treated water available to purchase is greater than 30% below projected demand*, and in the opinion of the Henry County Water District # 2 Board of Commissioners requires mandatory rationing to insure adequate water is available to maintain public health and sanitation.
2. Conservation and Curtailment Measures:
 - a. Declare Water Shortage Rationing.
 - b. Provide notice to all local news media (Appendix 5)
 - c. Provide Rationing Stage Notice (see Appendix 5) to local media informing customers that rationing is in effect, that some interruptions of service may occur and that a fee of \$1.75 is in effect.
 - d. Implement service interruptions to portions of system in accordance with approved published schedule. This schedule will be developed by Water District officials based upon the various and specific conditions associated with the emergency at hand. The schedule will be provided to all local media, and will be made available by telephone call at the District office.
 - e. Continue to prohibit all Class 3 and Class 2 uses of water. Water may be used only for Class Essential Uses which include:

Essential Domestic Use - Water necessary to sustain human life and the lives of domestic pets and livestock and to maintain minimum standards of hygiene and sanitation.

Health Care Facilities - Health and public protection purposes.

* - Projected Demand will be calculated using the format shown at Appendix 1.

V. EXCESS USAGE FEES:

- A. All funds received from Excess Usage Fees shall be placed in a separate account which may be used only for these purposes, and subject to approval by the Public Service Commission:
1. To offset loss of revenue from decreased water sales.
 2. To offset increased operating expenses directly attributable to the water shortage.
 3. To develop additional water sources, improve existing sources of water supply, or to help alleviate the water shortage problem.
- B. Such funds shall be subject to general refund, if ordered by the Public Service Commission.

VI. WHOLESALE CUSTOMERS:

Excess Usage Fees shall not apply to any wholesale customer that has adopted and is currently enforcing a water shortage response plan that is substantially similar the Henry County Water District # 2's plan. In addition, when Henry County Water District # 2 declares a certain stage of the plan, then the wholesale customer must simultaneously declare the same stage.

VII. REQUEST FOR EXEMPTION:

- A. Exemption to water use Restrictions: If compliance with the conservation and curtailment measures authorized herein would cause a consumer to bear extraordinary hardship, that individual or entity may apply to the Water District for an exemption. For these purposes "extraordinary hardship" shall be defined as a condition which may threaten health and safety, or which may cause property or economic losses, each of which must be shown to be substantially more severe than the sacrifices borne by other users in the District. If found by the Water District that extraordinary hardship exists, then an exemption may be granted and a written waiver for that customer may be issued. Water service will be continued until the District's decision is announced. Any person aggrieved by the decision of the Water District may file a complaint with the Public Service Commission.
- B. Exemption to Excess Usage Fees: All Excess Usage Fees that are imposed must be paid. No exemptions from payment will be allowed.

VIII. ENFORCEMENT: OF Water Use Restrictions on use of water during declared water shortage stages.

Any person who violates the provisions of this regulation, who fails to carry out the duties and responsibilities imposed by this regulation, or who impedes or interferes with any action undertaken or ordered pursuant to this regulation shall be subject to the following:

- A. A written notice of the violation of any water use restriction imposed pursuant to these regulations shall be affixed to the property where the violation occurred and mailed to the customer of record and to any person known to the Water District who is responsible for the violation or its correction. Said notice shall describe the violation and order that it be corrected immediately or within such specified time as the Water District determines is reasonable under the circumstances. If said violation is not corrected, then the Water District may terminate the customer's water service subject to the following:
1. The customer shall have the opportunity to appeal the termination by requesting a hearing scheduled before Water District officials.
 2. If such a hearing is requested, the customer shall be given full opportunity to be heard before termination is ordered.
 3. Water District officials shall make findings of fact and order whether service should continue or be terminated.
- B. The reconnect fee as shown on the current Public Service Commission tariff shall be paid for the reconnection of any water service terminated pursuant to subsection 8. A.
- C. Enforcement will be applied in addition to, and separately from, Excess Usage Fees described in earlier sections.

IX. LIABILITY:

- A. Henry County Water District # 2 will not be liable for any loss, cost, danger, injury or expense that may be sustained by reasons of partial or complete curtailment or interruption of water service.
- B. When the causes of the curtailment or interruption cease, the Water District shall restore appropriate service to all customers as soon as possible in the reverse order of the curtailments or interruptions in so far as is practicable.

X. SEVERABILITY: If any provision in these regulations is unconstitutional, or the application thereof to any person or circumstance is held invalid, the constitutionality of the remainder of the regulation and its applicability to other persons and circumstances shall not be affected thereby.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

XI. EFFECTIVE DATE:

A. This regulation was approved by the Henry County Water District # 2, Board of Commissioners on August 9, 1988 and recorded in the Minutes of Meeting of the same date.

AUG 22 1988
PURSUANT TO MEETING OF
SECTION 9(1)

B. This Regulation shall be effective immediately upon approval by the Public Service Commission.

BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

XII. EFFECTIVE PERIOD: This regulation will remain in effect until terminated by Henry County Water District # 2.

Appendix 1

Henry County Water District # 2

(Month)

(Year)

The information below would be used to estimate projected demand for one (1) month.

Calculations will be done at the beginning of each month.

Average use in _____ for 5 years: _____ gpd
(Last Month) _____
Average use in _____ for _____ years ago: _____ gpd
(Last Month) _____
Average use in _____ for 1 year ago: _____ gpd
(Last Month) _____
Average use in _____ for current year: _____ gpd
(Last Month) _____
Average use in _____ for the last _____ years: _____ gpd
(This Month) _____
Average use in _____ for _____ years ago: _____ gpd
(This Month) _____
Average use in _____ for 1 year ago: _____ gpd
(This Month) _____

Usage Notes: _____

Weather Notes: _____

Average projected use for _____:

Without conservation measures: _____ gpd

With advisory conservation measures
(12% reduction) _____gpd

With alert conservation measures
(More than 20% reduction) _____ gpd

With emergency conservation measures
(More than 25% reduction)

With rationing conservation measures

Appendix 2

HENRY COUNTY WATER DISTRICT # 2
PRESS RELEASE
ADVISORY STAGE

This press release is to be written according to the terms of the Advisory Stage in the Water Shortage Response Plan.

PUBLIC SERVICE COMMISSION

The capacity our wells will produce and the amount of treated water available to purchase is at least 12% and not more than 15% below projected demand*, and/or there are periods of low water pressure in one or more areas of the distribution system due to low water supply, or the State Division of Water has issued a Water Shortage Watch which includes the area from which the District would purchase treated water.

OF KENTUCKY
EFFECTIVE
AUG-2-2 1988
PURSUE
SECTION 9(1)
BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

Appendix 3

HENRY COUNTY WATER DISTRICT # 2
PRESS RELEASE
ALERT STAGE OF KENTUCKY
EFFECTIVE

This press release is to be written according to the terms of the Alert Stage in the Water Shortage Response Plan. AUG 22 1988

The capacity our wells will produce and the amount of treated water to purchase is at least 20% below projected demand*, and/or there is consistent low pressure in one or more areas of the distribution system due to low water supply. SECTION 9.11
By: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

Appendix 4

HENRY COUNTY WATER DISTRICT #2
PUBLIC SERVICE COMMISSION
PRESS RELEASE
EMERGENCY STAGE OF KENTUCKY
EFFECTIVE

AUG 22 1988

This press release is to be written according to the terms of the Emergency Stage in the Water Shortage Response Plan.

PURSUANT TO SECTION 9(1)

The capacity our wells will produce and the amount of treated water to purchase is at least 25% below ~~or protected demand~~, or there are periods of no pressure in one or more areas of the distribution system due to low water supply.

Appendix 5

HENRY COUNTY WATER DISTRICT # 2
PRESS RELEASE
RATIONING STAGE

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

This press release is to be written according to the terms of the Rationing Stage in the Water Shortage Response Plan.

AUG 22 1988

The capacity our wells will produce and the amount of treated water available to purchase is greater than 30% below projected demand*, and in the opinion of the Henry County Water District # 2 Board of Commissioners requires mandatory rationing to ensure adequate water is available to maintain public health and sanitation.

**PROCEDURES AND REQUIREMENTS
FOR THE DEVELOPMENT OF WATER LINE EXTENSIONS TO BE CONNECTED
TO THE HENRY COUNTY WATER DISTRICT NO. 2 SYSTEM**

November 1997

(Revision 1.0) January 1999

(Revision 2.0) March 2000

RECEIVED

APR - 7 2000

PUBLIC SERVICE
COMMISSION

INTRODUCTION

This document is a guide for the extension of water lines to serve existing and new development. This document outlines the policies and procedures as approved by the Henry County Water District No. 2 (HCWD2) Board. The intent is to establish uniform policies and procedures for the construction and acceptance of water lines that will provide efficient, reliable service and are compatible with the existing water system.

HCWD2 reserves the right to add to these procedures as may be necessary in order to achieve the required service to its customers.

LINE EXTENSIONS TO EXISTING DEVELOPMENT

The extension of water lines to existing potential customers is governed by HCWD2's *Water Main Extension and Refund Policy* which is available from HCWD2. Any costs related to the design of a water line extension to an existing home shall be included in the cost of the extension and shall be paid in accordance with Administrative Regulation 807 KAR 5:066, Sections 11(1) and (2).

LINE EXTENSIONS FOR NEW DEVELOPMENTS

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

Procedures

General

The following is a list of procedures to be followed by a developer who wishes to design, finance, and construct a water line that will connect to, or become a part of, the HCWD2 system.

MAY 07 2000

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1),

BY: *Sharon Bell*
PUBLIC SERVICE COMMISSION

procedures must be followed in order for the proposed water line to be considered for acceptance and connection to the HCWD2 system.

Preliminary Review

The developer may, at his option, make a request to HCWD2 for a preliminary review of the feasibility of connecting to the HCWD2 water system at a certain point in the system. The developer shall provide the desired point of connection, the number of potential customers, and the lowest and highest elevations (above sea level) of the development.

Application

Prior to the construction of any water lines which will be connected to the HCWD2 water system, the developer shall file an application with HCWD2. The application shall include a written request to connect to the HCWD2 system, plans and specifications, and all other items listed in the attached submittal checklist.

The application will be reviewed by HCWD2 staff and HCWD2's consulting engineer. The application must be reviewed and approved, in writing, prior to construction.

Plans

Plans shall be developed in accordance with, and make reference to, the most current edition of HCWD2's *Standard Specifications and Drawings for Water Line Extensions*. Plans shall also comply with all the design criteria contained herein. The most current edition of HCWD2's *Standard Specifications and Drawings for Water Line Extensions* is dated March 1997 and is available at the District Office in Campbellsburg.

Plans submitted to HCWD2 for review shall be accompanied by a certification statement signed by the design engineer (a Professional Engineer registered in the state of Kentucky) stating that the plans for the proposed water facilities comply with the requirements of HCWD2. PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 07 2000

Completed plans shall be submitted to HCWD2 for review and approval. Upon approval by HCWD2, the developer shall submit the plans, along with HCWD2's letter of approval, to the Kentucky Division of Water (KDOW) for review and approval. The developer shall pay the KDOW review fee. The developer shall provide one original copy of the approved plans (stamped "approved" by the KDOW) to HCWD2 before construction may begin.

Plat Certification Requirements

It is the policy of the Henry County Planning Commission that water certifications on plats represent an unconditional guarantee of water service. Prior to signing this plat certification, HCWD2 requires the following:

1. The design plans of the proposed lines have been approved by Commonwealth Technology, Inc. in accordance with current HCWD2 "Standard Plans and Specifications" and "Procedures and Requirements for Water Line Extensions."
2. The developer has obtained a project approval letter from the Kentucky Division of Water.
3. The developer has posted performance and payment bonds in the estimated amount of construction to ensure HCWD2 can complete the project if the developer fails to install water lines in an acceptable and timely manner.

Construction

A preconstruction meeting shall be held at HCWD2's office prior to beginning construction. The developer, contractor, and HCWD2 shall be present.

Shop drawings, which have been reviewed and approved by the design engineer, shall be submitted to HCWD2 on all material to be used for the proposed water facilities. The developer shall not order or install any materials until the shop drawings are approved by HCWD2. The developer shall be notified when materials are delivered to allow for inspection prior to installation.

KENTUCKY SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 07 2000

Procedures and Requirements for the Development of Water Line Extensions
Henry County Water District No. 2

The developer shall coordinate the times for tie-ins with HCWD2 to minimize disruption of service to existing customers. The tie-ins shall be made either during low usage periods or by means of tapping valves, as determined by HCWD2.

During construction, HCWD2 will perform or cause to be performed such inspection as it deems necessary to ensure proper installation. All construction of the proposed water facility shall be subject to HCWD2 inspection. The developer shall notify HCWD2 at least 24 hours before the actual work commences and shall keep HCWD2 informed as to the progress of the project in order to allow HCWD2 a reasonable opportunity to inspect construction before backfilling. Should failure to keep HCWD2 so notified and informed result in covering of work before HCWD2 has a reasonable opportunity to inspect, such failure may result in such tests or inspections (including uncovering of the work) as may be necessary to satisfy HCWD2 that the installation meets the required specifications. Work completed without inspection by HCWD2 will not be accepted.

The developer shall send a certified letter, with a copy to HCWD2, to the owners/buyers of each lot in the development notifying them of the need to install a pressure regulating device in their home plumbing system.

The developer shall ensure that the construction of the proposed water lines stays within the limits of all easements and right-of-ways.

The developer shall provide traffic control and other safety precautions as required by the Kentucky Transportation Cabinet.

The new water facilities shall be pressure tested as required in HCWD2's *Standard Specifications and Drawings for Water Line Extensions*.

The new facilities shall be disinfected as required in HCWD2's *Standard Specifications and Drawings for Water Line Extensions*. Laboratory test results meeting KDOW compliance criteria shall be provided to HCWD2 prior to placing them in service.

MAY 07 2000

Warranty Bond

A fully executed Warranty Bond shall be provided by the developer. This bond, on a form to be provided by HCWD2, which is attached and made part of this document, shall state that the developer will provide a one-year warranty period for the proposed water facilities and reimburse HCWD2 for all service, maintenance, and replacement of the facilities during the warranty period. The one-year warranty period shall begin on the date of the final acceptance of the facilities by HCWD2. Upon final acceptance by HCWD2, the developer shall agree to relinquish the rights to the water facilities so that it shall become the property of HCWD2. HCWD2 shall maintain the water facilities thereafter and shall have the rights to connect new users to the line or build extensions thereto.

The Warranty Bond shall be in the following amounts based on the length of the line extension:

<u>Bond Amount</u>	<u>Line Extension Length (total)</u>	
\$10,000	0 to 2 miles (10,560 feet)	
\$20,000	2.01 to 4 miles (21,120 feet)	
\$30,000	4.01 to 6 miles (31,680 feet)	PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE MAY 07 2000
\$50,000	6.01 to 10 miles (52,800 feet)	
Negotiated	over 10 miles	

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)
BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

Final Acceptance

When the construction is complete, the developer's design engineer shall certify that he has observed the construction of the project to the extent necessary to state that the project was constructed in accordance with the approved plans and specifications and the requirements of HCWD2 as listed herein. The developer's design engineer shall also submit this certification letter; along with signed, stamped, accurate as-builts, to the KDOW.

Full-size reproducible as-built drawings (on mylar drawing media) shall be provided for the entire completed water facilities.

A unit price summary of the actual construction costs for the facilities shall be provided.

If all items are completed and satisfactory to the HCWD2 staff, the HCWD2 Board will approve and accept the facilities as requested by the developer. The developer will be notified of this approval in writing.

Fees

1. HCWD2 has been authorized by the Public Service Commission to assess developers who construct water main extensions to proposed real estate subdivisions a fee equal to its actual cost of design review and inspection of such extensions.
2. HCWD2 shall, upon request, provide the developer with a statement that individually lists all costs incurred for the water main extension.
3. When determining any reimbursement required by Administrative Regulation 807 KAR 5:066, Section II (3), this fee shall be included in the total cost of the water main extension.
4. The fee for a copy of HCWD2's *Standard Specifications and Drawings for Water Line Extensions* is \$30.00.

MINIMUM DESIGN CRITERIA

All designs shall comply with HCWD2's *Standard Specifications and Drawings for Water Line Extensions*.

The following is a list of minimum design criteria required of any water facility to be approved to connect to the HCWD2 system.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 07 2000
PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)
BY: *Stephan D. Bell*
SECRETARY OF THE COMMISSION
March 2000

Procedures and Requirements for the Development of Water Line Extensions
Henry County Water District No. 2

- Pipe size and material shall be as determined by the District consistent with state of the art engineering practices. PVC pipe shall be a minimum of SDR 17 (Class 250). All pipelines shall be a minimum of 6-inch diameter unless a 4-inch diameter is judged hydraulically adequate by the District on a case by case basis.
- All fittings shall be ductile iron (Class 350).
- No fire hydrants shall be allowed to be installed in any proposed water facility except in the industrial park near Campbellsburg.
- Gate valves shall be spaced at a maximum of ½ mile and located at the edge of fence lines, driveways, etc. Gate valves shall also be provided at all branch lines and at the tie-in to the existing line.
- The maximum working pressure shall not be more than two-thirds of the pressure rating of the pipe.
- Combination air release valves shall be located at significant high points.
- Casing pipes shall be sized to accommodate the next higher diameter carrier pipe. The casing pipe shall be placed a minimum of five (5) feet past the ditch or toe-of-slope, or as required by Kentucky Transportation Cabinet.
- Blowoffs shall be placed at the end of all lines.

ATTACHMENTS

A1 Submittal Checklist for Application to Connect to the HCWD2 System

A2 Warranty Bond

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 07 2000

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

SUBMITTAL CHECKLIST
FOR APPLICATION TO CONNECT TO
THE HENRY COUNTY WATER DISTRICT NO. 2 SYSTEM

November 1997

(Revision 1.0) January 1999

(Revision 2.0) March 2000

The following is a checklist of items to be reviewed by Henry County Water District No. 2 (HCWD2) prior to approval of any application for construction of any water facilities that are to become a part of, or be connected to, the HCWD2 water system. All items of the checklist must be reviewed and approved prior to construction. Additional information may be requested by HCWD2 if deemed necessary for a complete review of the proposed application.

- ☐ A written description of the proposed work and the type or types of development planned.
- ☐ Complete plans signed and stamped by a Professional Engineer registered in Kentucky. Plans to be in the format of HCWD2's "Standard Drawings" (Sample Sheets 1-5) and contain all information required therein.
- ☐ A certification statement signed by the design engineer (a Professional Engineer registered in the state of Kentucky) stating that the plans and specifications of the proposed water facilities comply with the requirements of the Henry County Water District.
- ☐ The following information which will be used by HCWD2 to conduct a KYPIPE computer analysis of the proposed facilities to verify that they are compatible with the HCWD2 water system and HCWD2 has the capacity and pressure to serve the proposed extension:
 - The subdivision plat of record.
 - 1" = 500' map of the area of concern with all proposed water facilities clearly indicated. This may be shown on the plat map.
 - Indicate size and type of all pipes for the proposed water facilities.
 - Indicate the ground surface elevation (above sea level) of all pipe junction points, high points, and low points.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 07 2000

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)
E. Stephan D. Bee
SECRETARY OF THE COMMISSION

Submittal Checklist for Application
Henry County Water District No. 2

- List and show the location of the maximum number of potential users or customers for the proposed water facilities.
 - Provide an estimate of the water demand of the proposed development if it is other than residential.
-
- ☐ Easements for the proposed water facilities. The easements shall have a minimum width of 15 feet. Easements may be provided on a properly recorded subdivision plat or on individual signed forms using the "Sample Conveyance" available from HCWD2.
 - ☐ A copy of all necessary permits, obtained by the developer, from the Kentucky Transportation Cabinet, County, Railroad, etc., as applicable.
 - ☐ A statement of indemnification has been provided. The developer shall absolve, indemnify, and hold harmless HCWD2, their engineer, and their employees and agents of all liability from the construction and installation of the proposed water facilities and from the operation of the water facility during the one year warranty period.
 - ☐ A fully executed Warranty Bond.
 - ☐ A detailed unit price estimate of construction costs.
 - ☐ The application fee has been enclosed.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 07 2000

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)
BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

WARRANTY BOND

KNOW ALL MEN BY THESE PRESENTS, that _____,
_____, as Contractor,
hereinafter called "Principal," and _____,
a corporation, organized and existing under the laws of the
State of _____, with principal offices at
_____, as
Surety, hereinafter called "Surety," are held and firmly bound
unto the Henry County Water District No. 2 (HCWD2)
as Oblige, hereinafter called "Obligee," in the amount of
_____ Dollars (\$ _____), for the
payment of which, well and truly to be made, we hereby
jointly and severally bind ourselves, our heirs, executors,
administrators, successors and assigns firmly by these
presents.

WHEREAS, the Principal has dedicated (Line Extension),
hereinafter called the "Project," to Obligee, and Obligee has
accepted said Project on _____, 2000.

NOW, THEREFORE, THE CONDITION OF THE ABOVE
OBLIGATION IS SUCH that, if the Principal shall well and
faithfully do and perform the required maintenance and shall
indemnify and save harmless the Obligee against all claims,
loss or damage, and expenses of reconstruction or additional
work required to restore the Project to its acceptable
condition within a period of one (1) year from the date of
acceptance by Obligee of the Project, then this obligation
shall be void; otherwise, it shall remain in full force and
effect.

No right of action shall accrue on this Bond to or for the use
of any person or corporation other than the Obligee named
herein or the heirs, executors, administrators, successors, or
assigns of the Obligee.

Should any proceedings be necessary to enforce this Bond,
such sum as the Court may determine to be reasonable shall
be allowed to Obligee as attorney's fees, in addition to other
sums found due.

In the event that any actions or proceedings are initiated with
respect to this Bond, the parties agree that the venue thereof
shall be _____ County, State of Kentucky.

IN TESTIMONY WHEREOF, said Principal has signed this
instrument at _____, Kentucky, in person or by
agent duly thereunder authorized, and said Surety has caused
its name to be hereunto signed by its duly authorized agent
and its corporate seal hereto affixed, this day of _____
_____, 2000.

CONTRACTOR AS PRINCIPAL

Company: _____ (Corp. Seal)

Signature: _____

Name and Title: _____

SURETY

Company: _____ (Corp. Seal)

Signature: _____

Name and Title: _____

ATTORNEY-IN-FACT

Company: _____ (Corp. Seal)

Signature: _____

Name and Title: _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 07 2000

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephan O. Bell
SECRETARY OF THE COMMISSION

LINE IMPROVEMENT CONTRACT

RECEIVED
MAR 21 2000
PUBLIC SERVICE
COMMISSION

Whereas, the Henry County Water District #2 (hereinafter the "District") is a non-profit public utility engaged in providing drinking water for public consumption in Henry, Oldham, Trimble, Shelby and Carroll Counties in the Commonwealth of Kentucky;

And Whereas, the District is regulated by the Kentucky Public Service Commission and State Division of Water;

And Whereas, a need has arisen to improve a certain portion of the distribution system for said utility to allow development of certain parcels of real estate located along or near Highway 146 in Henry County, Kentucky;

And Whereas, said properties are to be developed by the individuals named hereinafter who are desirous of having the line improvement contemplated performed by the District in order to allow service to the areas to be developed;

And Whereas, it is understood that said improvements as contemplated will merely return the system to the same hydraulic conditions as exist prior to said development;

NOW THEREFORE, this Line Improvement Contract made and entered into this 19th day of October, 1999, by and between the Henry County Water District #2 and Don Pike, 1820 Grand Villa Drive, LaGrange, Kentucky 40031, Greg Thompson, 4400 East Highway 22, Smithfield, Kentucky 40068 and Ben Green, 200 Breckinridge Lane, Louisville, Kentucky 40207 (hereinafter the "Developers"),

WITNESSETH: that for and in consideration of the mutual promises and covenants set out hereinafter, the parties hereto agree as follows:

1. The Developers shall cause an improvement to the District's distribution system to be made along Wolfpen Road which improvement would consist of laying approximately 3200 feet of four (4) inch line along Wolfpen Road to complete a loop which connects existing line located on Highway 146 to existing lines located on Highway 1606. This improvement shall be made by the contractor of their choosing subject to the approval of the District. The sole purpose of this extension would be to

MAR 31 2000

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY Stephan O. Bell
SECRETARY OF THE COMMISSION

improve the hydraulics to allow adequate pressure to service the specified lots in the developments enumerated herein.

2. The Developers would be solely responsible for the actual costs and construction of said improvements estimated to be in the sum of \$21,000.00. The District in no way warrants that this is the actual cost of improvement. The Developers specifically agree and understand that they shall be fully responsible for the actual finished cost of this project, including design costs for plans provided by the District. All work shall be done in compliance with the District's "Standard Specifications and Drawings." The Developers acknowledge that the project cost will include the District's reasonable supervision, engineering, legal and accounting charges attributable to the project. The Developers further acknowledge that the estimated cost does not include any fee required to be paid for connecting individual lots to the system.

3. The Developers shall secure all necessary easements. Any expense associated with the design of this improvement or the procuring of the easements that is borne by the District, either directly or indirectly, shall be passed on to the developers in their proportionate share as hereinafter enumerated. Failure of any developer to pay a cost within fifteen days of receipt of a notification that said amount is due shall result in the District refusing to allow any developer to connect to the distribution system.

4. The developers individually agree that each shall bear a proportionate share of the costs for said line extension. Lost Creek subdivision is being developed by Mr. Pike and will consist of sixteen (16) lots. Henry Farms, section #2, is being developed by Mr. Thompson and will consist of sixteen (16) lots. Mr. Green is developing ten (10) lots on Dawkins Lane. The total number of lots to be developed is forty-two (42). Mr. Pike and Mr. Thompson shall each be responsible for thirty-eight percent (38%) of the cost of the extension. Mr. Green will be responsible for twenty-four percent (24%) of the cost of the extension.

5. The contractor who is selected by the Developers must be approved by the District. The contractors bonding, the warranty period of his work, and his submittal of

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAR 31 2000

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)
By BW
SECRETARY OF THE COMMISSION

shop drawings of materials shall fully comply with the District's "Procedures and Requirements for the Development of Water Line Extensions."

6. It is agreed and understood that this contract shall in no way be considered a final approval of any of the developments as such approval is contingent upon compliance with the current District guidelines for specifications, drawings and other project submittal requirements. All construction, labor and material must be in accordance with the District's specification. The contractor chosen shall be required to post a warranty bond in favor of the District.

7. The improvements constructed hereunder shall at all times be owned by the District. The District shall have the right to extend the facilities without compensation to the Developers or the consent of the Developers.

8. It is further understood that no work of any kind shall commence until all necessary approvals including approval of this contract are received from the Public Service Commission, the Division of Water and any other necessary and appropriate regulatory agency and all necessary easements are obtained and recorded.

Witness the hands of the undersigned on the date first above written.

HENRY COUNTY WATER DISTRICT #2




DONALD W. HEILMAN
CHIEF OPERATING OFFICER

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAR 31 2000

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY Stephan D. Bell
SECRETARY OF THE COMMISSION


DON PIKE
1820 GRAND VILLA DRIVE
LAGRANGE, KENTUCKY 40031
GREG THOMPSON
4400 EAST HIGHWAY 22
SMITHFIELD, KENTUCKY 40068



BEN GREEN
200 BRECKINRIDGE LANE
LOUISVILLE, KENTUCKY 40207

C:\MyFiles\HCWD #2 Agreement.wpd

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAR 31 2000

PURSUANT TO 807 KAR 5.011.
SECTION 9 (1)

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION